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The content and context of organizational ethics

van der Wal, Z.

published in

Public Administration
2011

DOI (link to publisher)

[10.1111/j.1467-9299.2010.01868.x](https://doi.org/10.1111/j.1467-9299.2010.01868.x)

document version

Publisher's PDF, also known as Version of record

[Link to publication in VU Research Portal](#)

citation for published version (APA)

van der Wal, Z. (2011). The content and context of organizational ethics. *Public Administration*, 89(2), 644-660.
<https://doi.org/10.1111/j.1467-9299.2010.01868.x>

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THE CONTENT AND CONTEXT OF ORGANIZATIONAL ETHICS

ZEGER VAN DER WAL

The aim of this paper is to provide an empirical contextual picture of what is truly valued most in different public and private sector organizations. Through a series of qualitative in-depth interviews ($n = 38$), that were a follow-up to an earlier survey study among public and private sector managers ($n = 382$), a number of crucial organizational values were presented to and discussed with a selection of top managers from a variety of Dutch public and private sector organizations. The decision-making context from the interviews provides insight into why, when, how and to what extent specific values are important. A number of unexpected differences and similarities between organizations with a different sectoral status emerge from the data, which shed new light on existing predispositions on value preferences in government and business conduct.

INTRODUCTION

Just as in real-life debates, most academic discussions on values, whether in public administration, business administration, philosophy, or any other discipline, confuse more often than they clarify. Hence, the literature is rife with inconsistent definitions of the value concept and blurred distinctions between value and related constructs like attitude, belief and norm (Wiener 1988). As a result, like a number of other grand abstractions – art, social justice, religion and democracy, to name a few – values are essentially contested concepts (Gallie 1955). Moreover, the failure of many studies on values to provide any clear definition (Schreurs 2005) has led to ‘values literature confusion’ (Agle and Caldwell 1999, p. 327).

Within public administration, public values have been at the forefront of many recent debates in different shapes and forms. Sometimes it seems like everybody is discussing public values, but it turns out that very different things are addressed within the same debate. Some authors discuss the safeguarding of public values in a time of privatization (de Bruijn and Dicke 2006) or dominant economic individualism (Bozeman 2007), while others present a plea for reconciliation of public values in a time of business-like public management philosophies (Kernaghan 2000; Frederickson 2005). Some address public values in general and propose sets of public values (Tait 1997; Gregory 1999) while others derive sets of specific public values, such as equity or lawfulness, through empirical research (Beck Jørgensen 2006; van der Wal *et al.* 2008). Consequently, the examples of *public* values that are mentioned in the literature differ widely (de Bruijn and Dicke 2006, p. 718).

The same goes for debates within business ethics and organization studies on *business* values. Business administration scholars (particularly business ethicists) have studied organizational values in relation to organizational culture (Schein 2004), excellence and success (Peters and Waterman 2005) as well as corporate social responsibility (Hemingway and MacLagan 2004), and workplace spirituality (Jurkiewicz and Giacalone 2004).

The predicament of most research on values is that it is prescriptive and normative – sometimes even ideological – in nature; this goes in particular for the debate on

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public and business sector values. The empirical research that does exist is – without exception – quantitative in nature, regardless of whether it concerns individual or organizational values (see, for example, Posner and Schmidt 1996; Bardi and Schwartz 2003; Stackman *et al.* 2006; Buelens and van den Broeck 2007). If studied empirically at all, different types of values are studied within different sectors, which makes it hard to accumulate research findings and expand general knowledge on values that bridges sectoral boundaries.

This empirical study focuses on organizational values within the context of public and private sector decision making and does so by employing a comparative and qualitative research design. Through a series of 38 structured in-depth interviews, a number of organizational decisions and the crucial values underpinning those decisions were intensively discussed with a selection of top managers from a variety of Dutch (para)public and private sector organizations. In this context, executive managers are perceived to be spokespersons for their organizations and overseers of decision-making processes. The decision-making context from the interviews provides insight in when, how and to what extent specific values are important. So far, hardly any serious research endeavour has taken this contextual and situational importance as its central focus. This study makes a first empirical attempt to do so.

CONTEXTUALIZING THE CONCEPT OF VALUE IN THE ORGANIZATIONAL DOMAIN

How can the values exactly be defined, and to what extent is it possible to distinguish between different types of values, such as individual versus organizational? Although the notion of an organizational ethic is not undisputed, it has been convincingly argued in previous studies that organizations have their own specific set of values encoded in their culture (see, for example, Deal and Kennedy 1982; Schein 2004), and part of the enculturation process of employees involves abandoning individual morals and values as the basis of ethical judgement and replacing them with an organizationally-based collective ethic (Jackall 1988). Many authors also argue that institutions have goals, values and knowledge that exist independent of their constituents, which determine, in large part, the decisions and behaviour of people inside those institutions (see, for example, French 1984; Pruzan 2001).

How then can 'organizational values' be defined? Various disciplines within the social sciences have offered classic descriptions of values such as 'enduring, continuing or collective moral beliefs', or 'convictions' and 'standards', that influence individual and group choices among alternative courses of action (see, for example, Jacob *et al.* 1962; Rokeach 1973). Values are also perceived as guidelines for action and decision making, as they 'refer to people's reasons for acting and judgements about such reasons' (Ozar 1997, p. 645) and as either means to achieve ends (Rokeach 1973) or 'desirable end-states' themselves (Guth and Tagiuri 1965, p. 125). A somewhat more elaborate definition is presented by de Graaf (2003, p. 22): 'Values are qualities that are appreciated for contributing to or constituting what is good, right, beautiful or worthy of praise and admiration'. Anthropologist Kluckhohn (1951, p. 395) conceptualizes a value as 'an implicit or explicit conception of the desirable', rather than what is good, right or beautiful, which clearly implies a cognitive, almost rational, as well as an affective element. Whereas the desirable may never be reached in its ultimate form, it is important that individuals

and collectives, such as organizations, try to attain as much as is naturally possible of what is conceived or ought to be desirable.

In daily organizational life, values not only address what ought to be but also what is; not only what is good or desirable, but also what is simply the right thing to do in a decision-making situation (in order to ultimately achieve what is good and desirable from an organizational perspective). This is not to say, however, that all possible types of values have the same weight and are appropriate for inclusion in this study. On the contrary, values concerned with aesthetics – such as a world of beauty, cleanliness or inner harmony (Rokeach 1973) – are of no interest here. Rather, this study focuses on those values that impact organizational decision making and determine what is right and wrong, desired and undesired, in organizational conduct. Therefore, in this study values refer both to qualities that contribute to what is conceived as good, as well as to general standards of conduct, which, although broader and less direct than norms, act as guides in choices that have to be made. Thus, organizational values constitute ‘qualities as well as standards that have a certain weight in organizational decision making’ (van der Wal 2008, p. 10).

It is broadly agreed upon among scholars that values cannot actually be seen or heard and can only be observed in the ways they manifest (Kluckhohn 1951; Rokeach 1973; Beyer 1981), for instance through spoken, written or physical behavior and action (for example, by filling in a questionnaire or making a decision).

The best that can be said is that values never occur by themselves: they never appear unaccompanied and without context. Rather, they are attached to objects (‘a gun is a bad thing’) or to people and their moods (‘I feel good today’) and are manifested through behavior and action (‘that is an effective decision’) (de Graaf 2003, p. 22). Although such a conception has epistemological and methodological implications for the way in which values can be studied (that is: obtaining valid knowledge on how values manifest themselves in real-life situations), it certainly does not exclude verbal or written manifestations of value preferences as a method of study. According to Kluckhohn (1951, p. 406), sometimes what people say about their values is, truer from a long-term viewpoint than are inferences drawn from their actions under special conditions: ‘As a matter of fact, people often lie by their acts and tell the truth with words. The whole conventional dichotomy between acting and telling is misleading because speech is a form of behavior itself’. Such a conceptualization of organizational values implies not only that an in-depth interview is an appropriate method of study here but also that values should be studied within their sectoral decision-making context. And, consequently, it implies that their importance should not be determined unitarily but in relation to other values and in relation to the specific situation and sector involved.

SELECTION OF ORGANIZATIONS AND RESPONDENTS

Rather than selecting respondents randomly on the basis of probability parameters, as is the case in a quantitative approach, the selection of respondents or cases in a qualitative context aims at maximizing range and depth (see Weiss 1994, p. 23). Therefore, not only did the sample in this case had to include a different range of companies as well as a number of federal government organizations, but in addition, a deliberate choice was made to include a number of so-called parapublic organizations (Lyons *et al.* 2006) or quangos (van Thiel 2000), such as hospitals, schools, universities, and contract agencies (*Agentschappen*). Such organizations operate somewhat autonomously from the public

core and within a market-like financial budgeting regime. This inclusion was based on the expectation that such organizations more often encounter confrontational and conflicting public and private sector demands, interests, norms and values within their decision-making processes. However, given the focus of the paper as well as the number of organizations that participated from the different sectors, the emphasis in the analysis concerns the core public and private sector organizations. The participating organizations together with the sectors to which they belong are shown in table 1.

In addition, the researcher's network was used to recruit interesting and relevant respondents. Although convenience sampling may not be the ideal base for generalization (Weiss 1994, p. 26), good reasons existed for using this technique to a certain extent: (1) the respondents' own assessment of generalizability, which is strongly related to snowball sampling; (2) the interviewer's own identification of others worth recruiting; and (3) the depth of the studied phenomenon itself (the idea that an identity in structure and functioning, a certain amount of universalism with regard to the phenomenon studied, exists among a certain group of respondents). For these reasons, a number of key figures in relevant organizations were approached, each of which came up with one or more participants. Some organizations were represented by several participants but others by only one (in some cases, the highest ranking general manager or CEO); in all cases individuals that held a senior executive management position at the time (the interviews were conducted in 2006). The majority of interview participants are male (87 per cent), with an average age of 50 ($M = 50$ years old) and directly supervise from a few dozen up to thousands of employees.

THE INTERVIEW

Earlier empirical studies on what can be considered the most crucial values in administrative and corporate decision making were used as a basis for this study. They consisted of a content analysis of recent literature that led to an initial selection of 20 organizational values (extensively reported in van der Wal *et al.* 2006), and a subsequent survey (see van der Wal *et al.* 2008) resulted in an empirical public-private value continuum with 11 crucial organizational values. The continuum shows three public, three private and five common core values that are deemed crucial in both sectors (figure 1). A number of these values, also taking into account the results of a correlation exercise (for details, see van

TABLE 1 *Organizations participating in the interview phase (n = 38)*

Public sector	Government agencies	Parapublic organizations	Private sector
Provincial Government of Noord-Holland (n = 5)	National Agency of Correctional Institutions (DJI) (n = 5)	VU University (n = 4)	Organon (n = 5)
Ministry of Health, Welfare and Sport (n = 5)	Agency for Sale of Used Government Goods (DRZ) (n = 1)	Zaans Medical Centre (n = 1)	Rabobank (n = 1)
Ministry of Finance (n = 4)		Royal NIVRA (n = 1)	KPMG (n = 1)
Ministry of the Interior (n = 1)			Unilever (n = 1)
			DLA Piper (n = 1)
15	6	6	11

PUBLIC

Lawfulness
Incorruptibility
Impartiality

Accountability
Expertise
Reliability
Effectiveness
Efficiency

Honesty
Innovativeness
Profitability

PRIVATE

FIGURE 1 *Empirical public-private value continuum*

der Wal 2008) were selected to be part of the qualitative study, which will be described extensively in the remaining sections.

The first step in the qualitative research phase was the construction of an interview guide, 'a listing of areas to be covered in the interview along with, for each area, a listing of topics or questions that together will suggest lines of inquiry' (Weiss 1994, p. 48). The research method was a structured or standardized interview, which 'consists of a set of questions carefully worded and arranged for the purpose of taking each respondent through the same sequence, and asking each respondent the same questions with essentially the same words' (Patton 1987, p. 112). Thus, each respondent was asked the same questions during an in-depth conversation that lasted between 45 and 65 minutes, depending on time availability and the progress being made during the interview. Following an introductory talk in which the interviewer laid out the purpose of the research project and interview, each respondent was asked 14 central questions (see Appendix A for the full interview guide).

At the start, the respondent was asked to describe in detail a recent decision he or she had been part of, the deliberations and considerations involved and the resultant choice of a certain direction. This was done to establish an indirect link between decision-making conduct and value prioritization (see van Rekom *et al.* 2006) and initially probe the significance of the sectoral decision-making context. The interview core addressed the role and importance of the following values or pairs of values in this decision and other important decisions in general: responsiveness, transparency/accountability, lawfulness, reliability/consistency/incorruptibility, and efficiency/effectiveness. These values were partly presented as pairs because of their strong intercorrelation in the earlier mentioned quantitative outcomes.

Although many respondents initially considered the role of values in organizational decision making abstract, most were able to make transparent – for themselves and for the interviewer – what was really valued most during important decisions. They

also identified the conflicts, contradictions and sometimes problematic trade-offs in the prioritization and actualization of certain values.

DATA ANALYSIS AND REPORTING

The data analysis aimed to draw inferences on the general – organizational and sectoral – rather than the individual level. Single respondents and cases were, therefore, less important than the overall issue: the dependent variables that represented the most important values in organizational decision making. Thus, even though out of necessity individual participants were interviewed in this study, making them the subjects of research, the *objects* of analysis were the aggregate values that play a role in organizational decision making.

Since the primary objective of this study is to portray public and private value patterns on an organizational and sectoral level, the data analysis was *issue focused* rather than case focused, as is the case in a multiple case-study design aimed at formulating research propositions, and took place at the ‘level of the generalized’ rather than the ‘level of the concrete’ (Weiss 1994, p. 152). Consequently, the participating organizations were not studied as distinct cases, but rather the statements on the values in organizational decision making constituted the locus of analysis. The aim of issue-focused analysis is ‘to describe what has been learned from all respondents about people in their situation’ (p. 153); in other words, to paint a general but at the same time contextual picture. Likewise, analysis of qualitative data involves analytic generalization rather than *statistical* generalization (Yin 2003). Thus, instead of generalizing the results to a larger population and testing the theoretical propositions, the aim here is to inform existing theory with new insights.

The logical choice for data analysis was a ‘retrospective comparison of cases’, an in-depth analysis of a large set of aspects (organizational decisions, organizational values and a number of related issues) in a number of cases (the 38 respondents). According to Eisenhardt (1989), the advantage of such a design is that it allows the researcher to recognize general patterns in different settings.

Despite Weiss’s (1994, p. 154) contention that the coding starts as soon as the first interview report is written, the initial coding of the interview material for this study began after completion of the first series of 10 interviews. As Strauss (1987), Weiss (1994) and Miles and Huberman (1994) rightly argue, data analysis is not simply a question of retrospective comparison of cases. Rather, data analysis begins as soon as there is data collection. Indeed, as Miles and Huberman (1994, p. 49) observe, ‘the more investigators have developed understandings during data collection, the surer they can be of the adequacy of the data collection and the less daunting will be the task of fully analysing the data’.

The consequence of such a research strategy for the present study was that typing out every interview as seven to eight pages of text resulted in immense quantities of data (over 250 pages of literal transcriptions) that needed to be systematically analysed. Following the suggestion of the above researchers, coding of these literal transcriptions began with a monster-grid – a data matrix created in Excel with the respondents on one axis and the 14 interview questions on the other – that can be perceived as a more elaborate version of what Weiss (1994, p. 157) calls ‘creating excerpt files’. Thus, the grid cells were filled not with numbers but with various verbal comments and citations from the interviews.

Consistent with exploratory research, the option of insights and novel findings based on other variables emerging from the data was left open. The next step involved reading all the responses to a particular theme to derive first impressions of overall patterns that were then juxtaposed with the empirical data. This inductive process, described by Weiss (1994, p. 158) as 'local integration', is clearly not just a matter of counting. After all, besides the fact that respondents had not been randomly selected and that 38 interviews and 17 organizations are, for quantitative purposes, too small a number, the goal of this exploratory phase was to consider the nuances and context of every case. Thus, it not only mattered *that* a respondent considered a certain value important and its usage different from that in the other sector, it was equally important to observe *what* and *how strong* that importance was, and how the respondent worded the differences. As a result, the inductive analytical process was repeated many times before the final analysis was written.

Following this initial interpretation using the monster grid, all interviews were converted to text documents and imported as separate 'hermeneutic units' into Atlas.ti 5.0, a widely used software tool for coding qualitative data. Each core statement or quotation of about 10–20 lines on the importance of specific values received a label or an initial 'open code', one structured sentence that summarized and characterized the statement's core. All structures were coded except for the few that had no specific relevance for answering the research question (see Klostermann 2003, p. 43). Particular attention was paid to how, when and to what extent the value was important in organizational decision making. During the process of coding and sorting and going back and forth between data and codes, more definitive codes were gradually established as new codes were created or old ones adapted (p. 43).

The final analysis focused particularly on the decisions, deliberations and considerations accompanying decision making. Next, based on the most relevant quotations (or parts of them) from participant responses, it characterized each value or pair of values explicitly addressed in the interview in terms of the way it seemed to be important in the decision-making process. All codings ultimately were categorized in three categories of importance: 'always very important', 'important depending on conditions and circumstances', and 'as such, not very important'. Finally, all such observations were combined as a cogently written report; that is, 'as a coherent story, so that the material presented early in the report prepares the reader for material that will appear later and later material draws on the earlier, and the reader in the end can grasp the report entire' (Weiss 1994, p. 153).

WHEN, HOW, AND TO WHAT EXTENT VALUES ARE IMPORTANT IN GOVERNMENT AND BUSINESS: EMPIRICAL EVIDENCE

Even though the views on how and when specific values are important (or not) differ widely between but also within both sectors, a number of interesting and unexpected similarities occur in terms of the five values or value pairs addressed in the qualitative interviews. The discussion now turns to a comparison of how and when the selected values are considered important in public and private organizational decision making, and how this contextual importance was worded during the interviews. The codes that represented the majority of respondents' statements are given in between quotation marks as an illustration of the main sentiments reflecting the contextual importance of specific values.

Responsiveness

A large majority of the statements on how and when responsiveness, defined as 'acting in accordance with the wishes and demands of citizens and customers', is important as a public sector organizational value emphasized the distance that should be maintained from direct outside demands. Consequently, these fell into the categories of 'important, dependent on conditions and circumstances' and 'as such, not very important'. Public sector organizational decision making cannot and should not imply that stakeholder wishes, preferences and demands can all be met. Rather, 'who gets what, when, how', as one respondent paraphrased Lasswell's (1936) famous adagio, is determined by politics, meaning that the public interest is pursued in public organizations after it has been filtered and defined through political channels. From then on, policies are loyally and rationally formulated and executed, as laid out by a departmental executive: 'The Minister (that is, the political leadership), and not stakeholder wishes and demands, defines what the public interest is that we pursue'. Thus, responsiveness in its authentic form is a political rather than a public organizational or bureaucratic value.

In private sector organizations, a partly similar, partly different picture emerges. In some statements, responsiveness was referred to as the 'corporate life line', with 'the customer at the center of its existence'. However, this emphasis on the customer coincides with the dominant view that a prerequisite for meeting certain public demands is that they align with corporate demands and interests. In other words, equal weight is not given to the demands, interests and wishes of each and every stakeholder (for example, those of clients and stockholders may be taken more seriously than those of environmental pressure groups). In the words of vice-president of a large firm: 'The demands and wishes of the public (stakeholders) must be congruent with organizational interests in order to influence decision making'. Moreover, albeit to a much lesser extent than in the public sector core, outside opinion is considered annoying and distractive to actualization of organizational goals: 'The demands and wishes of the public (stakeholders) are annoying and distract our organization from being focused and effective'.

Transparency and accountability

The qualitative results also corroborate the importance in the public sector of *transparency*, 'acting openly, visibly and controllably', and the immense importance of *accountability*, 'acting willingly to justify and explain actions to the relevant stakeholders', amply demonstrated in the quantitative analysis. However, this importance seems to be much more dimensional and situational than was at first apparent. That is, the statements are almost equally divided between the 'always very important' and the 'important, dependent on conditions and circumstances' categories. Thus, the extent to which transparency can be an important organizational value is highly dependent on the specific phase in the decision-making process, according to the chief financial executive of a ministry: 'It is impossible to act transparently in every (phase of a) decision-making process: therefore it is imperative to be accountable for non-transparency at any moment'. Sometimes nontransparency, or secrecy, better serves long-term organizational goals and interests, which also implies that different levels of transparency are applied to internal and external stakeholders.

In the same vein, such graduality applies to accountability, described in many statements as 'a hydra-headed phenomenon with multiple applications and implications: its importance and actualization depend on *who* is addressed (audience) at *what* time (timing) on *which* topic (content)' (see Mulgan 2003, p. 22). However, accountability is considered of overarching importance in decision making, particularly in relation to the other values

(see Koppell 2005; MacCarthaigh 2008). Thus, even when nontransparency is believed to be in the interest of the organization – for example, when a certain level of creativity is applied to laws and rules or when, occasionally, an inefficient or ineffective decision must be made – it must be accounted for at all stages.

For the business sector, a largely similar picture emerges. Four out of five views are identical, although one statement from this sector is ascribed to the ‘as such, not very important’ category. In private sector organizations, however, the difference between internal and external accountability is not emphasized as such because an explicit political dimension with regard to this value is absent. In addition, accountability is explicitly related to lawfulness and compliance with procedures and regulations: ‘Organizational and individual accountability are important, and they are safeguarded through sufficiently complying with regular formal procedures, reports and accountability checks’.

Moreover, somewhat paradoxically, respondents mentioned the downside of these values, which, when they become too dominant, may turn into annoyances that obstruct organizational effectiveness and self-fulfillment: ‘Transparency and accountability are obligations that may obstruct organizational efficiency and effectiveness’. Thus, transparency and especially accountability are very important values in both public and private sector decision making, albeit with many gradations and dimensions but fewer sector-related differences.

Lawfulness

The inquiry into the importance of lawfulness, ‘acting in accordance with existing laws and rules’, in public sector decision making resulted in interesting and partly counterintuitive findings. Lawfulness, at first glance self-evident in any public sector decision-making process, appears to have many different faces, resulting in differing levels of importance. Specifically, the statements are almost equally distributed among all three categories. At the core of the graduality of importance is the distinction between the letter and the spirit of the law. Obviously, according to almost all the public managers’ statements, administrative decisions must be in full compliance with the letter of the law, yet it is much more important that decisions abide by the original goals and purposes of the legislator: ‘Of course one has to act in accordance with the “letter” of the law, but it is perhaps even more important to abide by the “spirit” of the law (the original goal and meaning of the legislator)’.

When rules and regulations are so archaic or contradictory that they obstruct sound policy and organizational effectiveness (see Bozeman’s (2000) ‘rules born bad’), they must be altered; however, such alteration must occur through the appropriate political channels rather than through ‘civil servant disobedience’: ‘If a law is considered to be no longer relevant, one should advocate legislative change through the appropriate political channels, and not decide to disobey the law’. At other times, rules cannot be followed simply because continued political compromise has made them too complex (an example of ‘rules gone bad’, Bozeman (2000)) or because the exact procedures for a specific situation have been forgotten (see Huberts *et al.* 2006).

Surprisingly, many views on the importance of lawfulness in the business sector again resemble those of the public sector: Five out of six of the codes are identical, and statements are almost equally distributed among the three categories. It should be noted, however, that two such codes were categorized in the ‘as such, not very important’ category, one of them portraying that ‘Being obliged to strictly follow laws and procedures at any given moment obstructs organizational effectiveness and diminishes professional

and organizational self-fulfillment'. In addition, even though the prevalence of achieving corporate goals and interests is more apparent in private sector decision making, the perception of the spirit versus the letter of the law is similar to that in the public sector. The primary difference is that it is seemingly somewhat easier to diminish internal bureaucracy and regulations in a corporate environment than in a public sector setting in which political procedures and logic must be applied. In the words of a general manager from a law firm: 'Our organization has to be in compliance with external laws and rules, but internally we try to minimize rules and procedures to prevent unnecessary bureaucracy'. Moreover, it seems difficult for rule makers to be frequent rule avoiders or even rule breakers.

In the end, the results for this value do not support the popular simplistic view of government conduct as permanently guided and constrained by laws, rules and regulations while businesses try to duck and circumvent their legal obligations and responsibilities. Daily organizational life is simply more complex.

Consistency, reliability and incorruptibility

The importance of consistency, 'acting consequently in similar decisions with regard to similar stakeholders', reliability, 'acting in a trustworthy and consistent way towards relevant stakeholders' and incorruptibility, 'acting without prejudice and bias toward private interests' may seem self-evident in both public and private sector conduct, but here also gradations and nuances apply. Notably though, for the first time in both sectors, none of the statements are categorized in the 'as such, not very important' category.

Not surprisingly, incorruptibility is considered important in public sector decisions because of strong personal as well organizational motives, although some statements display doubts about whether this value can always be fully actualized. Moreover, with regard to incorruptibility, other values like transparency and lawfulness are often mentioned as being different sides of the same coin: 'These values have a strong positive relation with the other values and they go hand in hand: transparency, consistency and incorruptibility are different sides of the same coin'. In particular though, views on the distinction between unreliability and inconsistency are interestingly different. Whereas the former is seen as out of the question for decision making in government organizations, the latter is considered much less problematic because the organizational environment, especially within a political setting, can itself be inconsistent, so decisions can or even should be inconsistent from time to time: 'Consistency and reliability are certainly not the same. It isn't always possible or desirable to be consistent, but one must always remain reliable: inconsistency *can* be a virtue, unreliability is a vice'.

In business sector decision making, the importance of the values consistency, reliability and incorruptibility is more gradated. Even though the managers' personal commitment to these values, as well as the impossibility and undesirability of too much emphasis on decision-making consistency, is also acknowledged more in the private sector than in the public sector, acting according to these values is not always seen as a possibility: 'Of course these values are very important, but we are all human and it is not always possible to act in accordance with them in any given situation'. An interesting addition here is the global dimension: Perceptions on what constitutes incorruptibility, reliability and consistency differ widely around the world, a factor obviously more relevant for multinational corporations than for federal government organizations. 'These values are very important in organizational decision making, but

they are interpreted and perceived very differently by different audiences and within different countries'. Overall, larger sectoral differences can be reported for these values than for the preceding ones: two out of four views differ between government and business.

Efficiency and effectiveness

Particularly surprising, and somewhat ambiguous and complex to interpret, are the views on the two Es efficiency and effectiveness, whose nature the literature has never fully clarified. That is, it remains unclear whether they are classical business values that have become increasingly important in the public domain or qualities and standards that are important in all organizational decision-making processes regardless of sector. In the statements from the public sector, efficiency, 'acting to achieve results with minimal means', and effectiveness, 'acting to achieve the desired results', are distributed among all three categories of importance with the largest number of coded statements in the 'depending on conditions and circumstances' category. In other words, the two Es are considered important, yet with much emphasis on the complexity of determining what exactly constitutes efficiency and effectiveness in public sector decisions. As one government department head rightfully admits: 'Although it should always be the aim to do so, it is very hard to determine the efficiency and effectiveness of (policy) decisions beforehand, and monitor and measure their results afterwards'.

Given the widely accepted goal of efficient and effective decisions, evidence-based policy has become a popular buzz phrase during the last decade; however, according to the statements, it is still very difficult to determine whether certain outcomes are related to the specific policies introduced to achieve such outcomes. For these values, considerable intrasectoral differences emerge: Statements emphasizing a considerable increase in the importance of the two Es during the last decades, 'The two Es are becoming more and more important, predominantly in the process of formulating policy objectives in relation to (financial) means', lie alongside statements that consider this alleged increase arrogant hype: 'The two Es are and have always been very important public sector values: it is a hype and a sign of arrogance to consider this a privilege of the present time'.

In part, the business sector views also represent intrasectoral differences for these two values, with half the private sector statements unexpectedly falling into the 'not very important' category, but two coded statements making a claim that is totally absent from the public sector results; namely, that 'these ultimately are the most important values'. Instead, the private sector statements emphasize the subordination of the two Es, sometimes described as instrumental values, to other, sometimes designated as 'moral', values: 'A decision can be very efficient, but at the same time very ineffective or even unfair, therefore, these instrumental values are (much) less important than strong moral values like reliability and accountability'. Nevertheless, congruent with the public sector, private sector responses emphasize the complexities of determining what exactly constitutes decision-making efficiency and effectiveness, although some statements argue that business decisions are somewhat easier to measure in terms of input-output ratios: 'Based upon a certain sales prospect, we have a certain budget to spend on something. That can be research, ground personnel or investments in new computers. So no matter what the money is spent on, it will have to be done effectively'. It is also for the two Es that the largest sectoral differences can be reported; three out of four business sector views differ from those distinguished for the public sector.

HOW, WHEN, AND TO WHAT EXTENT VALUES ARE IMPORTANT BETWEEN GOVERNMENT AND BUSINESS: EMPIRICAL EVIDENCE

Interestingly, for contract agencies, none of the statements on responsiveness could be assigned to the 'always important' category; for parapublic organizations, this class comprised only a small number of statements. Rather, even though the statements closely resemble those of the public sector core, logically, they suggest even more distance from daily politics and public opinion. In agencies, efficient, effective and accountable execution of what has been agreed with the political leadership guides decision-making processes; therefore, views on how and when responsiveness is important in parapublic organizations are more similar to those of the private sector. That is, demands that are met and the display of openness toward outside opinions must align with organizational interests.

Given the distribution of the statement among the categories, compared to the core public and private sector organizations, those on the interface between these two sectors consider transparency and accountability of more absolute importance. However, with regard to content, the coded statements largely resemble those of the public sector. In parapublic organizations especially, transparency and accountability are considered important in a less gradated sense and are labeled 'always very important', arguably because their stakeholders are often clearly defined.

With regard to lawfulness, the responses lie exactly in between those of the public and private sector core. For both agencies and parapublic organizations, the coded statements are almost equally distributed among all three categories, and the codes largely resemble those of the public and private sector, although it should again be noted that, surprisingly, many similarities exist in how the importance of this value is interpreted in government and business settings. One important difference, however, is that a relatively large number of statements from executive agencies fall into the 'as such, not very important' category, emphasizing that too many rules obstruct and diminish organizational performance and employee self-fulfillment. Since agencies were originally created to efficiently and effectively execute policies without being constrained by a surfeit of political interference, rules and procedures, this result aligns with what the literature indicates about such organizations (see, for example, Christensen and Lægveid 2003; Pollitt and Talbot 2004).

The importance of consistency, reliability and incorruptibility is more explicitly denoted here than in government and business organizations, often as being 'always very important'. Most particularly, the statements show the same exact distribution for agencies as for parapublic organizations. They also mention the differences between unreliability and inconsistency, with the latter sometimes being a virtue rather than a vice. In terms of content, the coded statements again fall exactly in between both sectors, with two resembling the public sector and two resembling the business sector codes. In other words, they emphasize both the exemplary role of organizational leadership and the many impediments that complicate the continuous realization of these values.

It was anticipated a priori that in hybrid organizations the qualitative results for efficiency and effectiveness especially would more resemble those of the private than the public sector, although the results for these had themselves already proven different than common thought would suggest. Whereas a majority of the agency statements are situated in the 'always very important' category (all four category codes can be found in the public sector), the picture for parapublic organizations is, interestingly, more gradated. Here, for the first time, making inefficient and ineffective decisions is

TABLE 2 *Gradual importance of values in decision making (statements in each category indicated as percentages)*

Importance \ Values	Always very important	Important depending on conditions and circumstances	As such, not very important	Number of statements
Responsiveness	Public: 21	Public: 58	Public: 21	14
	Agencies: 0	Agencies: 71	Agencies: 29	7
	Parapublic: 22	Parapublic: 56	Parapublic: 22	9
	Private: 36	Private: 55	Private: 9	12
Transparency and accountability	Public: 43	Public: 57	Public: 0	14
	Agencies: 50	Agencies: 50	Agencies: 0	10
	Parapublic: 78	Parapublic: 11	Parapublic: 11	9
	Private: 50	Private: 41	Private: 9	12
Lawfulness	Public: 13	Public: 74	Public: 13	15
	Agencies: 9	Agencies: 55	Agencies: 36	11
	Parapublic: 31	Parapublic: 54	Parapublic: 15	13
	Private: 33	Private: 42	Private: 25	12
Consistency, reliability and incorruptibility	Public: 64	Public: 36	Public: 0	14
	Agencies: 57	Agencies: 43	Agencies: 0	7
	Parapublic: 57	Parapublic: 43	Parapublic: 0	7
	Private: 33	Private: 67	Private: 0	12
Efficiency and effectiveness	Public: 29	Public: 64	Public: 7	14
	Agencies: 57	Agencies: 29	Agencies: 14	7
	Parapublic: 29	Parapublic: 57	Parapublic: 14	7
	Private: 17	Private: 33	Private: 50	12

characterized as organizational misbehaviour because such decisions misuse stakeholder finances (a statement that would be expected in a business rather than a parapublic environment).

To give a general overview, table 2 outlines the percentages of statements from each sector in each of the three designated categories, 'always very important', 'important depending on conditions and circumstances' and 'as such, not very important'.

Obviously, given that the results displayed here stem from qualitative analysis, the percentages by no means imply a generalizable distribution of the importance of values in different kinds of organizations. Nevertheless, showing percentages instead of absolute numbers enables a comparison between the four types of organizations, whereas the number of statements differs so widely between sectors that showing absolute numbers would result in a confusing rather than clarifying picture. For a general overview, however, the absolute numbers of statements for each value and sector are shown in the last column of the table.

The importance of content and context

A more in-depth look at what is valued most in what are often complex and ambiguous decision-making situations reveals the role played by circumstantial and conditional factors. Not only does the extent to which the decision involves internal or external stakeholders strongly influence the importance of values like responsiveness and transparency, it also affects accountability, the top-ranked value in government and among the most important in business. Responsiveness to the general public (that is, the citizen as

primary stakeholder) is as such of less importance to public organizations because these are responsive to their political superiors, who are in turn supposed to be responsive to the wishes, demands and preferences of the outside world. This result is a somewhat unexpected version of the classical politics-administration dichotomy (see, for example, Wilson 1887; Goodnow 1900). What might have played a role here as well is the type of respondent; arguably, it is less relevant to be responsive to citizens, customers, and stakeholders for a senior executive than it is for a receptionist or a town hall clerk.

On the other hand, for businesses, which hold the wishes and demands of the customer in particular and the outside world in general 'at the centre of their existence', responsiveness would seem at first glance to be of more direct importance. However, for stakeholder wishes and demands to be met, they must align with organizational interests; therefore, in reality, not all wishes and demands carry equal weight. Wishes and demands of a major stockholder are weighed differently than those of environmental NGOs.

As previously pointed out, such dimensional importance also applies to transparency, whose importance strongly depends on factors like timing and audience, and, to a lesser extent, accountability. However, the latter is considered of overarching importance, especially in relation to other values in the set. That is, when decisions are nontransparent, inefficient or out of accordance with certain rules and regulations, this deviation must be accounted for at all stages. Thus, the interview statements make clear why accountability, a common core value in the quantitative study (see table 1) and a concept that deserves more and more attention from PA scholars in different shapes and forms (see, for example, Koppell 2005; Dubnick and Justice 2006), is so crucial in both sectors, and why, in difficult situations, it becomes even more important than transparency, incorruptibility, lawfulness, efficiency and effectiveness. When, for whatever reason, other values cannot be fully actualized, this failure must be accounted for at all times independent of the circumstances and conditions involved.

The same might seem the case for lawfulness, especially in a public sector setting. Yet this value apparently has many faces. At the core of this gradation of importance is the distinction between the letter and the spirit of the law. Interestingly, in both sectors, considerable creativity with regard to the application and interpretation of rules, regulations and procedures is considered acceptable – and in many cases, even desirable – in the interests of enhancing decision-making effectiveness and efficiency. The importance of these two Es, ranked as common core values, is characterized by even more facets. While they are characterized as traditional or classical public service values by some authors (see, for example, Kernaghan 2000), others consider them to be business-like values that are incongruent with some classical government traits (see, for example, Frederickson 2005). The general sentiment among public managers is that they are and always have been important – although some see a shift in thinking during the last decades – but it is very complex to determine and measure the efficiency and effectiveness of governmental decisions. This same nuance is notable in private sector organizations: it is highly complex to unambiguously determine what is efficient and effective in specific situations.

Surprisingly, in the business sector, the two Es are both considered 'ultimately the most important values' but at the same time 'much less important than values such as accountability, reliability and incorruptibility'. The latter two are considered important in all situations, although business respondents also pointed out that because 'we are all human', it is simply not always possible to act in accordance with these values. Interestingly, this observation holds to a lesser extent for the related value of consistency.

Not only is inconsistency seen as less of a vice than unreliability, but also, given the inconsistency of the organizational environment, decisions can or even should be inconsistent.

CONCLUSION

The quantitative results as shown in figure 1 have not been confused or refuted by the interview data; moreover, the interview results added content and context to what we know about the prioritization of values in government and business decision making.

Accountability, effectiveness, efficiency, and reliability are indeed common core values and incorruptibility, although important in both sectors, is somewhat more important in public than in private sector organizational decision making. When analysed more thoroughly, however, the importance of the crucial government value lawfulness in public sector decisions is highly gradual, while multinational corporations simply cannot afford not to abide by the rule of law. The importance of responsiveness and transparency, on the other hand, is mitigated by a number of factors and conditions, making these values again only moderately important in decision making in both sectors.

Given the design that was chosen, the results are not easily generalizable or transferable to other countries or administrative systems, something that one might consider to be a limitation of this study. However, generalization has not been the aim of this research endeavour. Rather, the study was conducted to complement the current monomethodological and monosectoral studies on values that have dominated the field so far and, subsequently, to enrich future debates on administrative and business ethics. The outcomes presented in this paper will hopefully inspire academics to consider more thoroughly the role of content and context in studying what actually is valued most, with more accumulative theory building on organizational values as a result.

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Date received 15 January 2009. Date accepted 23 June 2009.

APPENDIX

Interview guide

First three more general questions:

1. What is your age?
2. For how long have you been employed by your current employer?
3. Could you briefly tell me something about your background, in terms of education, previous jobs and functions, and the content of your current function?

Decisions and values:

4. Could you describe the most recent important organizational decision in which you were personally involved?
5. What were the central considerations and deliberations for you and other organizational members that were involved in the decision?
6. What kind of assumptions, principles, or values played a role?

Specific values:

For as far as they have not yet been mentioned, I would like to ask you whether the following values did play a role in this decision, or play a role in decisions such as these?

- Acting in accordance with preferences, wishes, and demands of citizens and stakeholders, the ‘public interest’ (*responsiveness*)
- Acting with openness and the willfulness to be accountable (*transparency, accountability*)
- Acting in strict compliance with rules, and procedures (*lawfulness*)
- Acting with integrity and consistency (*consistency, reliability, and incorruptibility*)
- Acting with efficiency and effectiveness (*efficiency, effectiveness*)

7. What prevailed in the end?
8. Could you try to explain why (based upon which preferences) a choice was made for a certain direction and not for another one?

Conflicts and problems:

We have just attributed attention to a number of values.

9. Can these values be in conflict with one another?
10. How does that show? Could you give an example?
11. Does that have anything to do with conflicting demands out of society, politics, and stakeholders?
12. Do these conflicts result in problems, and if so, what kind of problems?

Similar or different values?

13. Are most decisions in your organization based upon the same set of considerations and values (such as the ones we did discuss)?
14. Or are different considerations and values important in different contexts?

We are almost at the end of the interview. Do you have questions or comments? How do you look back at our conversation?

Let me thank you for your effort and your time. You will receive a transcript of the interview for factual approval.